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ABSTRACT

In May 1981 the American Library Association (ALA) conducted a survey to determine how online search services are financed in publicly-supported libraries and in libraries in nonprofit organizations. The survey questionnaire was prepared by the ALA Office for Research (OFR), and three vendors of online services--BRS, Lockheed, and SDC--mailed the surveys to their subscribers in the population of interest. Completed questionnaires were returned by 985 libraries and processed by the Library Research Center at the University of Illinois at Urbana-Champaign. The survey provides data on decisions made by publicly-supported libraries on such questions as whether or not to charge for online services, how many searches are performed per year, and what factors should be considered in deciding how to finance online services. Data are summarized in 18 tables. Appended are the questionnaire and its covering letter, the ALA position statement on free access to information, a supplemental report on free structures by Susan Bonzi, and a review of the related literature. A 37-item reference list is provided. (Author/JL)

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Financing Online Search Services in Publicly Supported Libraries

The Report of an ALA Survey

by
Mary Jo Lynch, Director
ALA Office for Research

American Library Association
Chicago 1981

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FINANCING ONLINE SEARCH SERVICES IN PUBLICLY SUPPORTED LIBRARIES

In May, 1981 the American Library Association conducted a survey of how online search services are financed in publicly supported libraries and libraries in nonprofit institutions/organizations. Three major vendors of online services--BRS, Lockheed and SDC--mailed ALA's questionnaire, cover letter and business reply envelope to their subscribers in the population of interest. The Council on Library Resources provided partial funding for the survey which was also supported by ALA. Questionnaires were returned to ALA for initial screening and then sent to the Library Research Center at the University of Illinois Graduate School of Library and Information Science for processing and analysis.

Purpose

The survey was done in order to provide information to library managers interested in starting, improving, or expanding an online search service in libraries which are publicly supported or serve nonprofit institutions/organizations. In addition, it was hoped that the results would be useful in the future as other technology-intensive services are introduced in these libraries. As DeWath explains in a recent article which describes a similar survey in the state of California:

> Future innovations in information services will probably come from the application of technology to the storage, retrieval, and dissemination of information. They will have significant and identifiable costs. The products will be highly specific to the individual client's needs. And many will be aimed at making more effective use of the end-user's time. Libraries will have to decide what role (if any) they will play in making these services available, and who will bear the cost.
>
> In adopting online bibliographic searching, libraries have had to make decisions which have implications for these broader questions of fees and of innovative information services generally. What we have had is, in effect, a great natural experiment [9, p. 31].

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*References are given at the end of Appendix 5, Related Literature, pp. 54-56.

The results of this survey document important aspects of how that experiment was conducted in a large number of publicly supported libraries and provides solid information upon which decisions regarding future innovation can be based.

The word "financing" in the title of this report could be misinterpreted because there are several different topics which might be examined under that rubric. We were not concerned with such issues as the mergers and acquisitions occurring in the information industry, the pricing of print products versus online products by data base producers, and the sharing of profits from online searching by vendors and data base producers, although we recognized that these issues complicated the matter we were investigating. Instead, we were examining how publicly supported libraries deal with the question of "who pays?" when they offer this totally new (for them) kind of service.

Why is this a matter of concern to ALA? ALA's official objective is "promoting and improving library service and librarianship." Although there are several other associations for professionals in specific types of libraries (e.g., Special Libraries Association, Medical Library Association, American Association of Law Libraries), ALA is the largest library association in the world and includes in its membership librarians from all types of libraries as well as nonlibrarians interested in library service. ALA is concerned not only with issues related to the work of librarians, but primarily with the quality of library service available to the American people. Most ALA members are employed by libraries that are either publicly supported or serve nonprofit institutions. Taken collectively these libraries enable the American people to satisfy their needs for a broad range of information without direct cost. ALA has always been concerned that there be no unnecessary barriers between people and what they need to know.

The impetus for this survey grew out of a concern in the mid-1970's that publicly supported libraries, which had never before charged users for the information they provided, were starting to charge fees for online search services.* ALA adopted a position statement against such charging in 1977 (See Appendix 3), but it was widely known even then that such charges were commonplace. Although the desire for more information about fee charging was first voiced by ALA members who wanted to

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*When online search services were first available they were largely bibliographic. In recent years, however, the number of nonbibliographic data bases has increased greatly. Although some nonbibliographic data bases are not available in publicly supported libraries, others are, and libraries may finance them as they do bibliographic search services. The phrase "online search services" will be used here without the word "bibliographic" in recognition of this fact and in recognition of the fact that even bibliographical data bases are used for purposes other than compiling bibliographies.

document the extent of a practice that they saw as reprehensible, the potential value of such information later became evident to others who believed that it could help librarians deal with the technological and economic developments of the 1980's and beyond.

Background

Bibliographic searching has been going on in libraries for many years. Traditionally, libraries have purchased numerous indexes which are searched, either by library users on their own, by library users* with the help of a librarian, or by librarians themselves to answer users' questions. Once purchased, the indexes remain on library shelves, available to anyone who wants to use them for as long and as often as he or she wishes. In most cases, there are no direct charges for these services (though the user does pay indirectly through taxes or student fees). With the advent of data bases for online searching this situation changed dramatically. Often the same indexes are available, but they may now be searched electronically through a process which features much greater speed than manual searching and enables the searcher to combine terms with greater efficiency and effectiveness. The technology of the service is very different and so are the economics. Instead of paying a single charge for a product (index) which can be used by many people, a library wishing to offer online searching pays variable charges for products tailored to the needs of specific individual users.

In the past, publicly supported libraries have imposed small charges on their users for special services [26], but charges for online search services were clearly different from what had been done before. At least two points of contrast are important: The fees were large ($10 not 10¢) and the fees were for "information." Obviously, one could argue that anything in a library is information and any charge levied by a library is a charge for information but we will not debate that issue here. What is important is that the charges for online searching were <u>perceived</u> as being different because they were charges for information.

Using a report prepared by the ALA Ad Hoc Committee on Equal Access to Information, the ALA Committee on Research drafted a proposal for a study that would examine how publicly supported libraries and libraries in nonprofit institutions/organizations finance online search services.

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*Literature related to public, academic or school libraries traditionally refers to the person receiving service as a "user" or "patron." Special librarians also use the word "client" to refer to the recipient of service. Much of the literature about online searching refers to the "end-user" as distinguished from the intermediary (searcher, librarian) who uses an online system on behalf of someone else. Since the word "user" was employed in our questionnaire to refer to the ultimate recipient of the results of an online search, it will be used in this report to refer to "patrons," "clients," end users."

This study would investigate how often fees were charged as well as a number of other questions. For example, the study would explore: 1) How often is there a no-charge period of online time, the costs of which are paid by the library? 2) How often are different fees charged to different users? 3) Which costs are covered by fees? and 4) What factors influenced a library to choose the financing method it adopted?

Methodology

The methodology followed for this survey was unorthodox when viewed from the perspective of traditional survey research. Because not all libraries offer online search services, we knew it would not be sufficiently productive to survey the universe of publicly supported libraries or a sample of libraries selected from that frame. A census would be much too expensive for what it would yield, and a sample would be of little value unless we first constructed a universe of libraries that did offer online bibliographic search services. This difficulty was partially solved when the three major vendors--BRS, Lockheed, SDC--agreed to send our questionnaire to all U.S. subscribers (password holders) who are publicly supported libraries or libraries in nonprofit organizations/institutions. Their cooperation meant that we would not have to bear the cost of constructing a universe of selecting a sample. We were also spared the postage and handling costs of the initial mailing.

The method of distribution involved some unusual conditions, however, which will affect the interpretation of survey results. For one thing, the proprietary interests of the vendors prohibited merging their lists. Therefore, a library subscribing to more than one vendor would receive more than one questionnaire. This was complicated by the fact that some institutions (e.g., universities) have more than one library subscriber and therefore would receive copies of the questionnaire at different places on the campus. If the different libraries used different financing methods, all would be of interest to us.

The nature of vendor records led to a second condition. At the time the questionnaire was mailed, none of the vendors had their subscriber lists coded so that mailing labels for subscribing libraries of interest to us could be generated automatically. All three vendors planned manual screening of their mailing labels. However, decision rules to be followed by those who did the screening were never formally discussed because we wished to keep the vendors' work as simple as possible. Evidently, their screening decisions favored inclusiveness. Our conversations with responsible parties at two vendors, plus review of returned questionnaires, convinced us that questionnaires were sent to all subscribers who might possibly be in the population of interest. The third vendor was unable to perform any screening and sent our questionnaire to all subscribers.

A third condition growing out of the first two is that no record was kept of where questionnaires were sent and, therefore, it was not possible to contact nonrespondents. Finally, there was the matter of timing--although all questionnaires went out in May or early June, 1981, it was not possible to synchronize the mailings. Some subscribers received a duplicate or triplicate copy of the questionnaire three or four weeks after the first one had been completed and returned.

These conditions were further complicated by our expectation that some recipients of the questionnaire would offer online services not to the general public but only to either persons learning how to use online services (e.g., library school students) or persons on the staff of an agency (e.g., nonprofit foundation). We did not intend to analyze responses from such recipients since our interest was in service to the general public. Since we wanted to have an approximate idea of how many recipients did not complete the questionnaire because there was no reason for them to do so, the cover letter told a recipient to respond only partially in several specified cases. This was provided for in Section B of the questionnaire, Method of Response, which is reproduced below;

B. METHOD OF RESPONSE *Please circle one* ↓

I intend to complete the questionnaire (skip to C, below) 1

Questionnaire was already completed and returned 2

Another library in this institution completed a questionnaire and our method of financing is the same 3

Online services are provided to agency staff only 4

Online services are provided to train students only 5

If you circled 2, 3, 4, or 5 please return this sheet only in the enclosed postage paid envelope BY JUNE 30. You will receive a summary of the results.

When responses were received at ALA they were sorted into stacks according to the category circled in Section B. Only questionnaires marked with the first possibility were sent to the Library Research Center for analysis. Even some of these were not sent when our examination of the response convinced us that another category should have been marked.

We had hoped that responses in the second and third categories would enable us to estimate how many of the mailed questionnaires were really duplicates or triplicates for the purpose of the survey. This was not entirely satisfactory, however, due to the small number of returns marking

categories two or three. Categories four and five would enable us to eliminate subscribers who seemed to be in the population of interest when the survey was mailed, but did not, in fact, make search services available to the general public. Notes added to returns plus our own observation of how respondents identified themselves convinced us that we should establish the following additional categories so that we could describe incomplete or ineligible responses in a meaningful way:

6. Library in a profit making organization

7. Individual person

8. Non-library information unit

9. Non-USA

10. Other (e.g., just started, unclear response, unique arrangement)

A total of 7,300 questionnaires were mailed by the three vendors in May or early June, 1981. Response was encouraged in several ways: by running brief news items about the survey in vendor newsletters the month before the questionnaire was mailed, the month it was mailed and the month after it was mailed; by sending news releases to selected newsletters and periodicals in the library field; by providing a postage-paid-reply envelope. A total of 2,227 questionnaires were returned.* Of these, 985 were eligible for analysis (i.e., a completed return from a publicly funded library or library in a nonprofit institution/organization which makes online search services available to persons other than those employed by the institution/organization). The other 1,242 were incomplete or otherwise ineligible for reasons already noted. This leaves 5,073 questionnaires unaccounted for. We suspect that many of them were duplicates since we know that recipients did not understand our request that they return some part of <u>every</u> questionnaire. Some librarians told us in casual conversation that they just tossed out the second or third copy of the questionnaire. These people were interested in the study and willing to help but simply did not understand our request. The experience leads us to believe that many others did the same.

Another reason for the large number of nonrespondents was the fact that our initial mailing was not as carefully controlled as it might have been. Many people received the questionnaire who were clearly not in the population of interest. We know this because some responded (one lawyer wrote, "This is not <u>supposed</u> to be a nonprofit institution!"), but most probably did not. Given the conditions under which the survey was conducted, we were very pleased with the number and quality of the responses

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*In a few cases recipients not intending to complete the questionnaire did not actually return it, but called to tell us why they were not responding. Those "respondents" were counted in the appropriate category of ineligibles.

and believe that this report of results will be useful to all involved in providing information to the American public through libraries.

Results*

Table A shows the geographical origin of returned questionnaires. All states of the U.S. were represented. Table B shows the reasons why the questionnaires were not completed or were ineligible for analysis. As has been noted earlier, we expected a large number of such returns and encouraged them in our cover letter. Since we did not control the mail-out or contact nonrespondents we hoped that questionnaires returned with an indication of why they were incomplete would give us an approximate idea of why others were not returned at all. Table B does this. Obviously, it does not fully account for the 5,073 questionnaires that were not returned but it does enable us to make an informal guess at the reasons for nonresponse.

Table C shows the type of library from which responses came. The first six categories were given on the questionnaire; additional categories were added after returns indicating "other" were analyzed in more detail. It is this subset of the library community that we are describing in this report. Although there are reasons for believing that we are describing all publicly supported libraries offering online services, it should be remembered that our sample was not scientifically selected.

The results presented in Table C support what is popularly believed about online services; that very few school libraries have them (fewer than 1% of libraries responding); that academic libraries are much more likely to have them than public libraries (only 5% of respondents), and that, within the academic community, universities (45% of respondents), are more likely to have them than four-year colleges (14% of respondents) which are more likely than two-year colleges (3% of respondents). Table C also indicates a fairly modest growth in subscriptions to online search services by public libraries and two-year colleges since the Wanger study in 1974 [34]. That study which questioned all subscribers to the major search services of that time, received responses from no public libraries and from only two community college libraries.

Several caveats must be made concerning Table C. It seems to indicate that very few public libraries and two-year college libraries currently provide online search services. However, results of the

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*In presenting results of the ALA survey, comparisons will be made, where appropriate, to two other surveys--the national survey conducted by Wanger, et al., in 1974 [34] and the statewide survey conducted in 1978 by a committee of the California Library Association [9]. Both of these surveys are described in more detail in Appendix 5, "Related Literature," which also describes several additional surveys.

California survey [9] indicate that this conclusion may be somewhat misleading. In that survey, questionnaires were mailed to all publicly supported California libraries whether or not they were subscribers to an online service. Respondents were able to indicate whether search services were available either in the library or elsewhere. Almost all of the 33 public libraries responding that they made search services available indicated that they did so by referring the question (but not the questioner) to another library. Half of the 10 community college respondents indicated the same. Because the ALA survey went only to online subscribers, our results do not provide information about the practice of referral on a national basis. Although the small return from library systems would argue against it, the California results and a general knowledge of what libraries are doing through networks and systems leads one to suspect that many libraries, at least public libraries and two-year college libraries, offer search services to their users by referring the question. It may be argued that a library does not really offer online search services when it does that; from another perspective, however, this practice probably does make online search service more available to the public than Table C would indicate.

The number of university library respondents would also be misleading unless the reader remembers that "university library" includes "branch, department or professional school library" on our questionnaire. As indicated earlier, some universities have more than one library subscribing to one or more vendors. Our questionnaire indicated that we expected responses from more than one unless the method of financing was the same but we did not attempt to analyze how often this happened.

Table D presents answers to the second question, "How long has the library been offering search services?" It comes as no surprise that the university library respondents have offered online search services for a longer time than the public library respondents. The growing body of literature concerning online services clearly indicates that this is to be expected. Community college respondents are even newer users of online services. This too would be expected by regular readers of the online literature.

Question three asked, "How many searches did the library conduct in the last fiscal year?" The definition given for an online search was that developed by ALA's Machine Assisted Reference Section (MARS); "the interactive access by computer to as many data-bases as the searcher considers necessary to conclude the search" [14, p. 13]. Respondents were given the following instruction, "if your institution uses a different definition in record keeping, please ESTIMATE using this one."

The number of searches reported ranged from a low of 0 (some libraries had just begun to subscribe to one of the vendors) to a high of 50,000 searches. If the one respondent reporting an unusually high number is removed the range was from 0 to 7,800.

Table E1 shows the distribution across 5 ranges of "Number of Searches Conducted-Last Fiscal Year," by type of library. There are too few respondents in the school library category or library system category to allow any meaningful observation. For the other categories it is interesting to note that public libraries, libraries in universities, and government libraries seem to be well distributed across the search categories, whereas two-year and four-year college libraries are concentrated in the smaller number categories. Health science libraries, on the other hand, tend to be concentrated in the larger number categories.

The mean number of searches conducted in the last fiscal year for all respondents reporting a number of searches to this survey (N=907) was 598; the total was 542,319. (In both cases, the respondent reporting 50,000 searches was not included.) The meaning of those numbers is not firm since library fiscal years differ and since we encouraged respondents to estimate. The numbers are approximate for another reason also. Some libraries distinguish between searches made by the library staff in order to answer reference questions and searches made at the request of a user who specifically asks for a bibliography produced through an online search. There is no charge for the first kind of search in many cases. This questionnaire did not indicate whether both types of searches were to be counted, but the emphasis on fees to users may have indicated to some respondents that only searches of the second type were to be considered.

Despite these caveats, it is interesting to observe that the grand total number of searches reported by publicly supported libraries responding to this survey (592,319) represents approximately 12% of the 5,000,000 searches conducted in 1979 according to an industry survey published IDP Report [19, p. 6].

Table E2 presents a cross tabulation of the number of searches conducted in the last fiscal year by the length of time a library has been offering online search services. Selected percentages have been underlined (the highest in each row) to show the pattern one would expect--the longer the service has been offered, the more searches were conducted the last fiscal year.

Question four asked, "Does your method of financing involve any fees to any users?" Table F1 summarizes responses to this question. The 709 respondents answering "yes" were expected to answer questions 5-12. Those answering "no" were told to "skip to question 13." The "other" category merits a word of explanation. Some respondents answered "no" to question four but did not skip to thirteen and answered questions five through twelve in ways which indicated that a fee was charged. These confused returns as well as the single "no response" returns were not counted in tabulating answers to questions 5-12.

Over 70% of responding libraries charge fees. For public, two-year college and four-year college libraries responding to this survey, the split is approximately one-fourth to one-third "no" to three-quarters to two-thirds "yes." For government agency libraries this balance is reversed; almost all university libraries charge fees and health science libraries come close to an equal division.

Table F2 cross tabulates the length of time a library has been offering online search services with the presence or absence of a fee. The percentage of libraries charging a fee increases as the length of time increases, indicating that the longer a library has offered online searching the more likely it is to charge a fee.

The Wanger study would lead us to expect this result. Although only 56% of the 320 managers responding to a question about user fees reported that they did charge fees, Wanger et al. were reasonably sure that this report was very low for a number of reasons. More important, when the responding managers were asked whether their original cost recovery goals had changed, about 41% of the educational users (the group most comparable to respondents in the ALA survey) indicated that their goals had changed.

> The majority of those who changed their cost-recovery orientation had moved toward recovering some portion of the costs incurred by on-line searching. For the most part these respondents found that the entire costs could not be absorbed in their present budgets. Many other respondents began their on-line program using grant funds and hoped that their grants would continue to be renewed. As the grant funding ended, they found that the end-user pay for some portion of the search costs. Another smaller group of managers responded that they had always intended to initiate some sort of end-user charge as soon as the searchers were able to perform high quality searches. This latter group felt strongly that the end-user should not be required to pay for the "training" of the searchers [34, p. 157].

Forty-three percent of respondents to the California survey offered online services at no cost to the user [9, p. 38]. This result may not be comparable to the result in the ALA survey, however, because of the number of respondents to the California survey who referred searches to another library.

Question five asked, "For any or all searches, is there a no charge period of online time, the costs of which are paid for by the library?" Table G shows the responses to this question. Public libraries and

health science libraries responding to this survey were most likely to offer a no-charge period. One public library wrote "Most often we give the first 10 minutes free. In effect, that makes searches free for most individuals."

Because we suspected that a no-charge period was more likely to be offered in the early years of a search service or when the volume of searches was low, we cross tabulated the presence of a free period with the length of time a search service has been offered and with the number of searches offered in the last fiscal year. Results indicated that the presence of a free period seems to have no relationship to either the number of searches offered in a year or the number of years a service has been offered.

Question six asked respondents to identify the costs which are included in calculating the fee. The eight components of cost identified in the questionnaire were based on the list in Saffady's monograph on "The Economics of Online Bibliographic Searching: Costs and Cost Justifications," which appeared in the September-October, 1979 issue of Library Technology Reports [30]. Table H shows how many libraries of each type indicated that a particular cost was included in calculating the user's fee. The pattern is similar for all types of libraries.

These data clearly indicate that libraries charge clients primarily for the direct costs of the online search service. In most cases, fees are being charged not for "fixed costs" which the library must pay in order to provide the service to everyone (start-up expenses, general operating, overhead) but for "marginal" costs which are directly related to a specific search from which only one person usually benefits (communication, connect time, offline printing). Most libraries also absorb staff time which could logically be charged to a specific search. Critics of fee charging will need to consider these findings in the light of what public finance theory holds about private goods (which benefit society as a whole). According to public finance theory only public goods should be paid for by tax funds. Cooper has explained the issue very effectively in his article on "Charging Users for Library Service" [5].

Question seven asked "Does your fee structure differentiate between the primary clientele of the library and persons not in the primary clientele (e.g., for public libraries--non-residents of an area. For academic libraries--non-students or non-faculty)?" Table I displays answers to this question by type of library. It shows, for example, that public library respondents are much less likely to differentiate primary clientele from others than are health science libraries.

The results presented here may oversimplify what is, in fact, a very complex situation. The many libraries which charge non-primary clientele differently, do so in a variety of ways and for a variety of reasons.

Comments of two respondents to our survey describe typical situations:

1. "The hospital sees online searching as a necessary component of medical education. Therefore, there is no charge to staff. We only charge those such as lawyers and law clerks who will gain financially from the information and who are not part of the hospital."

2. "This library feels that online searching is simply one of many services that the library offers and, as such, should not be subject to additional charges. Charges are made, however, for searches done for people outside our own college community of student, faculty, and staff. Charges for searches for outsiders are only the pass-through costs of communication, data-base, and printing charges. Other less quantifiable costs, such as overhead, equipment, searcher's time, are considered offset by this opportunity for practice in searching. Because we have a low volume of searching for our own primary clientele, we view the searching done for outsiders as valuable and worthwhile practice time."

Question eight asked, "How is the fee system structured?" Table J summarizes responses to this question. Obviously, this table provides only a rough indication of the great variety of fee structures which exist. The only thing which seems clear is that charging a flat rate is not a popular method. Four hundred and forty six respondents sent us a copy of their fee structure. The 383 which were suitable for analysis are described in Appendix 4.

Question nine asked, "Have you collected data regarding the effect of the fee on the volume of use in your library?" This question was included because we wanted to know if libraries had collected data which would enable them to justify empirically any conclusions they reached about the effect of a fee. Only twenty libraries responded that they had collected such information; five sent us a report; one sent both an instrument and a report. These few documents indicate that search volume decreased when fees were imposed but only one had kept records long enough to note that volume was picking up again. In only one case of these six were potential users asked about the deterrent effect of a fee. Most respondents had indicated that a fee was acceptable. These findings tell us very little except that most libraries have not collected any data on the effect of a fee.

Question ten asked "What was the library billed for communication, data base usage and offline printing in the last fiscal year?" Since we suspected that many libraries absorbed all other costs--a suspicion confirmed by Table H--we asked this question to find out how much extra would have to be paid out by a library if it were to absorb direct costs also.

Responses ranged from a low of $32 to a high of $102,000. If we remove the two returns which reported unusually high direct costs--one at $100,000 and one at $102,000 the range was $32 to $54,000 with a mean of $6,816. The total amount for all libraries reporting direct charges (N=576) was $4,316,364. Table K1 shows the number of libraries which reported the three direct costs in each of seven dollar ranges.

Table K2 cross tabulates the amount billed for direct costs with the length of time the service has been offered. The highest percentage in each row has been underlined. This Table is similar to Table E1, "Number of Searches-Last Fiscal Year by Type of Library" in that some types are well distributed across the cost categories (e.g., public libraries, university libraries) and others concentrate in the lower cost categories (two-year college libraries, four-year college libraries). These results support what one would expect to find--a library which has offered the service for a longer period of time is likely to be paying higher direct charges.

Question eleven asked "What percentage of this total amount was paid for by your users?" The total amount in question is the amount given in response to question ten (covering communications, data base usage and offline printing). Table L shows the number of respondents reporting that users paid a particular percentage of the direct charges in the last fiscal year. It shows, for example, that eighteen respondents reported that users paid none of the direct costs and 120 libraries estimated that users paid less than 20% of those charges, whereas 147 libraries estimated users paid between 81% and 99%. These findings supplement findings presented in Table H. That table shows how many libraries include the three direct costs when calculating a fee; Table L shows how much of the three direct costs is paid by users.

Question twelve asked the respondent, "Please ESTIMATE what percentage of the funds your clients use to pay search fees come from the following sources." Four types of sources were mentioned in the questionnaire which also inlcuded a place for "other." Table M displays responses to this question by indicating how often a particular source was mentioned. Attempts to analyze these estimates in more detail produced additional tables (not shown) that were not meaningful. These attempts and the data displayed in Table M lead us to the following conclusions about users of online search services in libraries responding to this survey:

-users pay search fees from a variety of sources

-the source most frequently involved: personal funds

-the source least frequently involved: private business funds

This may or may not be true for users of online search services in other publicly supported libraries.

Clearly, this is a complex issue and our question was not successful in gathering data which would help us to simplify it. One respondent presented his estimate in a way which illustrates the complexity:

Students	90% personal
	10% interdepartmental
Faculty	90% interdepartmental
	10% personal
Off-campus	25% personal
	75% private business

Question thirteen asked, "In your opinion, how do users, searchers, and the library administration feel about your method of financing online search services?" Respondents were then asked to indicate whether users, searchers and administration were positive, neutral or negative about the financing method used. If "negative" was indicated, the respondent was asked to explain. Table N displays responses to this question. It shows, for example, that whereas 87% of users were believed to be positive when fees are not charged, only 68% of administrators were positive in these situations. Obviously, answers to question thirteen indicate only the opinion of the respondent. However, it must be noted that the majority of respondents seem to believe all three groups (users, searchers, administrators) have positive feelings about the financing method whether fees are involved or not.

We had originally intended to analyze in more detail reasons given for negative opinions and policies at libraries where respondents estimated that opinions of users, searchers and administration were negative. However, the small number of negative opinions convinced us that this analysis would not be productive.

Question fourteen listed eight factors which we believed might have been involved in a library's decision regarding a method of financing and asked, "Which of the following factors played a major role in your decision regarding a method of financing online search services?" This question was included because we expected the responses would have heuristic value to librarians thinking about starting an online search service. Answers are displayed on Table O. The factor mentioned most often both by libraries charging fees and by those not charging fees is "Level of Funding Available." The factor which received the second highest number of mentions is also the same in both cases, "Need for a simple system." A number of additional factors were mentioned, but most were noted only by a small number of respondents. Over 2% of respondents charging a fee mentioned the following factors: online service is "just another form of reference service"; administrative decision; need to recover cost. The first of these factors was cited by 6% of those not charging a fee; the second was mentioned by 1%. Other factors

mentioned by less than 3% of respondents not charging a fee were:

Red tape involved (3%)

Encourage use of service (1%)

Makes up for what we can't afford (2%)

Belief in free public library (2%)

Desire to provide service at lowest cost (2%)

Philosophy of service (1%)

Question 15 asked, "Have you analyzed the characteristics of your online users?" This question was included because we hoped to discover to what extent libraries were keeping records of who was using the search services and how such recordkeeping might differ from place to place. Only 18% of our respondents had analyzed the characteristics of online users. More than one-half of these were university libraries. In most cases, however, this "analysis" was a fairly simple enumeration of users who were faculty or student or staff. A few libraries, however, did separate users by academic discipline. Records kept in nonacademic libraries varied greatly. Because no common patterns seemed evident, this material was not analyzed in any detail.

Conclusion

The ALA survey provides data on decisions made by a large number of publicly supported libraries regarding such questions such as these: Should we charge users for online service? If we do, what costs do we consider when calculating a fee? Should we provide a no-charge period? Should we differentiate our primary clientele from other users? How should we structure our fee schedule? How many searches can we expect in a year? What are the total direct costs we can expect in a year? What factors should we consider when deciding how to finance online services? The literature provides many opinions on all these questions and some data is available in the article cited in Appendix 5. But this survey is unique in providing data based on a survey of 985 publicly supported subscribers to online services. These data will not make decisions simple; they will, however, make it possible for decisions to be based on solid evidence of practice elsewhere.

Future research in this area might explore the policies and procedures followed when online searching is done for users of one library by searchers in another library or in a system headquarters. The present survey assumes that searches are done in a particular library for users of that library but there is evidence that this is not always what happens.

Future research in this area should also recognize that online searching can be done in libraries for at least two very different reasons:

1. to find the answer to a question, and

2. to compile a bibliography of materials on a topic.

Although the ALA questionnaire did not distinguish between the two, comments made by respondents and recent papers on the "reference use" of online searching [4, 12, 32] have led us to hypothesize that most libraries using online services for the first reason do not charge their patrons in these instances. However, they do charge when searching is done for the second reason. DeWath recognizes this difference in her report on the California survey [9] but sees it as a contrast between public libraries which use online searching to find answers to questions and college/university libraries which use it for compiling bibliographies, with two-year college libraries falling somewhere in between. It seems likely that all kinds of libraries will soon be using online searching as a ready reference tool now that more and different kinds of material are becoming available online. Friend and Bonta allude to this possibility at the end of their paper on reference use of online data bases.

> Thus, a clear description of the categories of questions which may be answerable online is certainly not possible at this time. New types of reference desk services--such as interactive manipulation of statistical databases--could represent categories of reference questions which are not at all part of present reference desk work. The only conclusions possible are that online ready reference service is certain to grow and to change significantly the nature of reference service as we know it today [12, p. 219].

Finally, what evidence does the ALA survey offer to the fee or free debate? In their report on the Impact of On-Line Retrieval Services Wanger, et al. begin a section on "Cost-Recovery: Goals, Practices, and Attitudes" with the following summary:

> Two major conclusions can be drawn from the managers' responses to a number of questions about their cost-recovery practices:
>
> -There has been a definite trend toward charging the end-user for on-line searches
>
> -Those organizations that have been charging end-users have generally been attempting to recover only direct costs [34, p. 154]

The ALA survey indicates that the practice of charging has continued and increased. It also shows that most libraries are recovering only direct costs. As we indicated earlier, critics of fee charging need to consider the nature of what is covered by a fee and what is, in fact, free before condemning fee charging flatly.

Lest the evidence in support of fee charging in this report seem overwhelming, it may be appropriate to close by quoting one of our respondents who defended free searches eloquently.

> Online searching is just one of the ways we provide access to information. We also do not charge for use of the card catalogue, encyclopedias, dictionaries, microforms, records, tapes, slides, etc. Further, online searching is by far the most cost effective source of information in the library. All other forms must be bought and paid for whether or not anybody ever uses them.... What a blessing it is to have a service like online searching, that only has to be paid for upon actual use. Would that we could acquire books that way.

TABLE A: RETURNS BY REGION OF U. S.

Region of U.S.*	No. of Responses
North Atlantic (CT, DE, DC, ME, MD, MA, NH, NJ, NY, PA, RI, VT)	277
Great Lakes (IL, IN, IA, KS, MI, MN, MO, NE, ND, OH, SD, WI)	283
Southeast (AL, AK, FL, GA, KY, LA, MS, NC, SC, TN, VA, WV)	164
West and Southwest (AL, AZ, CA, CO, HI, ID, MN, NV, NM, OK, OR, TX, UT, WA, WY)	259
No zip code	2
TOTAL	985

SOURCE: ALA, Financing Online Search Services in Publicly Supported Libraries, 1981

*The four regions and component states are those defined by the National Center for Education Statistics in Survey of Public Libraries, LIBGIS I (Washington: U. S. Department of Health, Education and Welfare, 1978).

TABLE B: INCOMPLETE AND INELIGIBLE RESPONSES

Reason for Incompleteness or Ineligibility	No. of Responses
Questionnaire was already completed and returned	491
Another library in this institution completed a questionnaire and our method of financing is the same	122
Online services are provided to agency staff only	345
Online services are provided to train students only	24
Library in a profit making organization	154
Independent individual subscriber	29
Nonlibrary information service unit	55
Not USA--sent in error	6
Other (e.g., just started, unclear response, unique arrangement)	16
TOTAL	1,242

SOURCE: ALA, Financing Online Search Services in Publicly Supported Libraries, 1981.

TABLE C: LIBRARIES RESPONDING TO SURVEY

Type of Library	Respondents #	Respondents % (N=985)
1. Public	53	5
2. 2-year College	28	3
3. 4-year College	137	14
4. University	445	45
5. School Library	6	**
6. Government Agency	166	17
7. Health Sciences	78	8
8. Library System	13	1
9. Other Library	59	6
TOTAL	985	99%

SOURCE: ALA, Financing Online Search Services in Publicly Supported Libraries, 1981

**Less than 1%.

TABLE D: LENGTH OF TIME THE LIBRARY HAS BEEN OFFERING ONLINE SEARCH SERVICES BY TYPE OF LIBRARY

TYPE OF LIBRARY	LENGTH OF TIME OFFERING ONLINE SEARCH SERVICES											
	LESS THAN 2 YRS.		2-5 YRS.		6-10 YRS.		MORE THAN 10 YRS.		NO RESPONSE		TOTAL	
	#	%	#	%	#	%	#	%	#	%	#	%
PUBLIC	29	(55)	18	(34)	6	(11)	--	--	--	--	53	(100)
2-YR. COLL.	14	(50)	14	(50)	--	--	--	--	--	--	28	(100)
4-YR. COLL.	74	(54)	54	(40)	8	(6)	--	--	1	**	137	(100)
UNIVERSITY	92	(21)	208	(47)	128	(29)	15	(3)	2	**	445	(100)
SCHOOL	--	--	5	*	1	*	--	--	--	--	6	(100)
GOVT. AGENCY	42	(23)	84	(51)	33	(20)	6	(4)	1	**	166	(100)
HEALTH SCIENCE	28	(36)	30	(39)	17	(22)	3	(4)	--	--	78	(100)
LIBRARY SYSTEM	7	*	6	*	--	--	--	--	--	--	13	(100)
OTHER	15	(25)	25	(42)	16	(27)	3	(5)	--	--	59	(100)
TOTAL	301	(31)	444	(45)	209	(21)	27	(3)	4	**	985	(100)

SOURCE: ALA, FINANCING ONLINE SEARCH SERVICES IN PUBLICLY SUPPORTED LIBRARIES, 1981.

*PERCENTAGES NOT GIVEN WHEN BASE IS LESS THAN 25.

**LESS THAN 1%.

TABLE E1: NUMBER OF SEARCHES-LAST FISCAL YEAR
BY TYPE OF LIBRARY

TYPE OF LIBRARY	NUMBER OF SEARCHES IN LAST FISCAL YEAR													
	Up to 50		51-150		151-350		351-800		801-7,800		NO RESPONSE OR NO SEARCHES CONDUCTED YET		TOTAL	
	#	%	#	%	#	%	#	%	#	%	#	%	#	%
PUBLIC	11	(21)	11	(21)	11	(21)	6	(11)	8	(15)	6	(11)	53	(100)
2-YR. COLL.	18	(64)	4	(14)	3	(11)	--	--	--	--	3	(11)	28	(100)
4-YR. COLL.	54	(39)	41	(30)	27	(20)	3	(2)	2	(1)	10	(7)	137	(100)
UNIVERSITY	62	(14)	63	(14)	93	(21)	92	(21)	100	(22)	35	(8)	445	(100)
SCHOOL	3	*	1	*	1	*	--	--	1	*	--	--	6	*
GOVT. AGCY.	24	(14)	29	(18)	29	(18)	33	(20)	39	(24)	11	(6)	165[a]	(100)
HEALTH SCI.	4	(5)	7	(9)	13	(17)	31	(40)	19	(24)	4	(5)	78	(100)
LIB. SYSTEM	4	*	1	*	1	*	2	*	2	*	3	*	13	*
OTHER	12	(20)	12	(20)	16	(27)	8	(14)	6	(10)	5	(8)	59	(100)
TOTAL	192	(20)	169	(17)	194	(20)	175	(18)	177	(18)	77	(8)	984[a]	(100)

SOURCE: ALA, FINANCING ONLINE SEARCH SERVICES IN PUBLICLY SUPPORTED LIBRARIES, 1981

*PERCENTAGES NOT GIVEN WHEN BASE IS LESS THAN 25%.

[a]PLUS ONE RESPONDENT REPORTING 50,000 SEARCHES.

TABLE E2: LENGTH OF TIME OFFERING SEARCH BY NUMBER OF SEARCHES OFFERED-LAST FISCAL YEAR

LENGTH OF TIME OFFERING SEARCH	NUMBER OF SEARCHES LAST FISCAL YEAR													
	Up to 50		51-150		151-350		351-800		801-7,800		NO RESPONSE		TOTAL	
	#	%	#	%	#	%	#	%	#	%	#	%	#	%
LESS THAN 2	107	(36)	74	(25)	48	(16)	23	(8)	6	(2)	43	(14)	301	(100)
2-5	78	(18)	82	(18)	122	(28)	93	(21)	46	(10)	23	(5)	444	(100)
6-10	6	(3)	12	(6)	20	(10)	58	(28)	104	(50)	8	(4)	208	(100)
OVER 10	1	(4)	--	--	3	(11)	1	(4)	20	(74)	2	(7)	27	(100)
NO RESPONSE	--	--	1	*	1	*	--	--	1	*	1	*	4	*
TOTAL	192	(20)	169	(17)	194	(20)	175	(18)	177	(18)	77	(8)	984[a]	(100)

SOURCE: ALA, FINANCING ONLINE SEARCH SERVICES IN PUBLICLY SUPPORTED LIBRARIES, 1981

*PERCENTAGES NOT GIVEN WHEN BASE IS LESS THAN 25%.

[a]PLUS ONE RESPONDENT REPORTING 50,000 SEARCHES.

TABLE F1: LIBRARIES CHARGING ANY FEE TO ANY USER

TYPE OF LIBRARY	FINANCING METHOD									
	FEE		NO FEE		OTHER		NO ANSWER		TOTAL	
	#	%	#	%	#	%	#	%	#	%
PUBLIC	38	(72)	14	(26)	1	(2)	--	--	53	(100)
2-YR. COLLEGE	19	(68)	8	(28)	1	(4)	--	--	28	(100)
4-YR. COLLEGE	93	(68)	42	(31)	2	(1)	--	--	137	(100)
UNIVERSITY	415	(93)	28	(6)	2	*	--	--	445	(100)
SCHOOL	3	*	3	*	--	--	--	--	6	*
GOVT. AGENCY	50	(30)	109	(66)	6	(4)	1	*	166	(100)
HEALTH	42	(54)	33	(42)	3	(4)	--	--	78	(100)
LIBRARY SYSTEM	5	*	7	*	1	(8)	--	--	13	*
OTHER LIBRARIES	44	(74)	14	(24)	1	(2)	--	--	59	(100)
TOTAL	709	(72)	258	(26)	17	(2)	1	**	985	(100)

SOURCE: ALA, FINANCING ONLINE SEARCH SERVICES IN PUBLICLY SUPPORTED LIBRARIES, 1981

*PERCENTAGES NOT GIVEN WHEN BASE IS LESS THAN 25.

**LESS THAN 1%.

TABLE F2: LENGTH OF TIME OFFERING SERVICE BY PRESENCE OR ABSENCE OF A FEE

LENGTH OF TIME OFFERING SERVICE	FINANCING METHOD									
	FEE		NO FEE		OTHER		NO ANSWER		TOTAL	
	#	%	#	%	#	%	#	%	#	%
UP TO 2 YEARS	185	(61)	107	(35)	9	(3)	--	--	301	(100)
2-5 YEARS	320	(72)	118	(27)	6	(1)	--	--	444	(100)
6-10 YEARS	177	(85)	30	(14)	1	**	1	**	209	(100)
Over 10 YEARS	25	(93)	1	(4)	1	(4)	--	--	27	(100)
NO RESPONSE	2	*	2	*	--	--	--	--	4	*
TOTAL	709	(72)	258	(26)	17	(2)	1	**	985	(100)

SOURCE: ALA, FINANCING ONLINE SEARCH SERVICES IN PUBLICLY SUPPORTED LIBRARIES, 1981

*PERCENTAGES NOT GIVEN WHEN BASE IS LESS THAN 25.

**LESS THAN 1%.

TABLE G: NO-CHARGE PERIOD OF ONLINE TIME
BY TYPE OF LIBRARY

TYPE OF LIBRARY	FREE PERIOD OF ONLINE TIME							
	YES		NO		NO ANSWER		TOTAL	
	#	%	#	%	#	%	#	%
PUBLIC	22	(58)	16	(42)	--	--	38	(100)
2-YEAR COLLEGE	12	*	7	*	--	--	19	*
4-YEAR COLLEGE	41	(44)	51	(55)	1	(1)	93	(100)
UNIVERSITY	124	(30)	282	(68)	9	(2)	415	(100)
SCHOOL	3	*	--	--	--	--	3	*
GOVT. AGENCY	27	(54)	22	(44)	1	(2)	50	(100)
HEALTH SCIENCE	24	(57)	18	(42)	--	--	42	(100)
LIBRARY SYSTEM	3	*	2	*	--	--	5	*
OTHER	12	(27)	31	(70)	1	(2)	44	(100)
TOTAL	268	(38)	429	(60)	12	(2)	709	(100)

SOURCE: ALA, FINANCING ONLINE SEARCH SERVICES IN PUBLICLY SUPPORTED LIBRARIES, 1981

*PERCENTAGES NOT GIVEN WHEN BASE IS LESS THAN 25.

TABLE H: COSTS INCLUDED IN FEE BY TYPE OF LIBRARY[a]

TYPE OF LIBRARY	RESPONDENTS CHOOSING EACH COST CATEGORY																			
	START-UP		ANNUAL		COMMU-NICATION		DATA BASE USAGE		OFFLINE PRINTING		SEARCHER TIME		OTHER STAFF TIME		OVERHEAD		OTHER	
	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%
PUBLIC (N=38)	--	--	1	(3)	23	(60)	31	(82)	29	(76)	8	(21)	--	--	4	(10)	3	(8)
2-YR.COLL. (N=19)	--	--	2	*	10	*	15	*	15	*	--	--	--	--	1	*	3	*
4-YR.COLL. (N=93)	1	(1)	2	(2)	68	(73)	82	(88)	82	(88)	11	(12)	--	--	5	(5)	4	(4)
UNIV. (N=415)	14	(3)	59	(14)	340	(82)	378	(91)	375	(90)	37	(9)	9	(2)	51	(12)	54	(13)
SCHOOL (N=3)	--	--	--	--	--	--	3	*	2	*	--	--	3	*	--	--	--	--
GOVT.AGCY. (N=50)	5	(10)	6	(12)	27	(54)	39	(78)	40	(80)	9	(18)	2	(4)	3	(6)	4	(8)
HEALTH SCI. (N=42)	7	(17)	8	(19)	31	(74)	37	(88)	30	(71)	19	(45)	--	--	7	(17)	3	(7)
LIB. SYS. (N=5)	--	--	--	--	4	*	4	*	4	*	1	*	--	--	1	*	1	*
OTHER (N=44)	5	(11)	10	(23)	34	(77)	40	(91)	39	(89)	18	(41)	3	(7)	12	(27)	6	(14)
ALL RESP. CHARGING FEES (N=709)	32	(4)	88	(12)	537	(76)	629	(89)	616	(87)	103	(14)	17	(2)	84	(12)	78	(11)

SOURCE: ALA, FINANCING ONLINE SEARCH SERVICES IN PUBLICLY SUPPORTED LIBRARIES, 1981

*PERCENTAGES NOT GIVEN WHEN BASE IS LESS THAN 25.

[a]ROWS CANNOT BE TOTALED SINCE RESPONDENTS COULD CHOOSE MORE THAN ONE COST CATEGORY.

TABLE I: DIFFERENTIATION BETWEEN PRIMARY CLIENTELE AND OTHERS BY TYPE OF LIBRARY

TYPE OF LIBRARY	DIFFERENTIATION IN FEE SCHEDULE							
	YES		NO		NO RESPONSE		TOTAL	
	#	%	#	%	#	%	#	%
PUBLIC	6	(16)	32	(84)	--	--	38	(100)
2-YEAR COLL.	11	*	8	*	--	--	19	*
4-YEAR COLL.	56	(60)	36	(39)	1	(1)	93	(100)
UNIVERSITY	245	(59)	163	(39)	7	(2)	415	(100)
SCHOOL	1	*	2	*	--	--	3	*
GOVT. AGENCY	26	(52)	24	(48)	--	--	50	(100)
HEALTH SCIENCE	32	(76)	10	(24)	--	--	42	(100)
LIBRARY SYSTEM	2	*	3	*	--	--	5	*
OTHER	16	(36)	25	(57)	3	(7)	44	(100)
TOTAL	395	(56)	303	(43)	11	(2)	709	(100)

SOURCE: ALA, FINANCING ONLINE SEARCH SERVICES IN PUBLICLY SUPPORTED LIBRARIES, 1981

*PERCENTAGES NOT GIVEN WHEN BASE IS LESS THAN 25.

TABLE J: FEE STRUCTURE

Structure	Respondents	
	#	% (N=709)
Flat Fee Only	57	8
User Characteristics Only	146	21
Search Characteristics Only	202	28
Flat Fee and User Characteristics	2	**
Flat Fee and Search Characteristics	12	2
User and Search Characteristics	181	26
Flat Fee and User and Search Characteristics	3	**
No Response	106	15
TOTAL	709	100

SOURCE: ALA, FINANCING ONLINE SEARCH SERVICES IN PUBLICLY SUPPORTED LIBRARIES, 1981

**Less than 1%.

TABLE K1: AMOUNT BILLED TO LIBRARY FOR DIRECT COSTS
(COMMUNICATION, DATA BASE USAGE, OFFLINE PRINTING)

TYPE OF LIBRARY	AMOUNT BILLED																	
	Up to $750		$ 751-$1,500		$1,501-$3,000		$3,001-$5,000		$5,001-$7,500		$7,501-$15,000		$15,001-$54,000		NO RESPONSE		TOTAL	
	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%
PUBLIC	7	(18)	3	(8)	8	(21)	3	(8)	1	(3)	7	(18)	2	(5)	7	(18)	38	(100)
2-YR.COLL.	10	*	3	*	2	*	--	--	--	--	--	--	--	--	4	*	19	*
4-YR.COLL.	21	(22)	26	(28)	15	(16)	7	(8)	3	(3)	--	--	--	--	21	(23)	93	(100)
UNIV.	28	(7)	30	(7)	50	(12)	56	(13)	42	(10)	94	(23)	50	(12)	65	(16)	415	(100)
SCHOOL	2	*	--	--	1	*	--	--	--	--	--	--	--	--	--	--	3	*
GOVT.AGCY	4	(8)	4	(8)	2	(4)	6	(12)	7	(14)	5	(10)	4	(8)	16	(33)	48[a]	(100)
HEALTH SCI.	3	(7)	5	(12)	11	(26)	3	(7)	1	(2)	4	(10)	4	(10)	11	(26)	42	(100)
LIB. SYS.	1	*	--	--	1	*	1	*	--	--	1	*	--	--	1	*	5	*
OTHER	1	(2)	4	(9)	11	(25)	3	(7)	5	(11)	8	(18)	4	(9)	8	(18)	44	(100)
TOTAL	77	(11)	75	(11)	101	(14)	79	(11)	59	(8)	119	(17)	64	(9)	133	(19)	707[a]	(100)

SOURCE: ALA, FINANCING ONLINE SEARCH SERVICES IN PUBLICLY SUPPORTED LIBRARIES, 1981

*PERCENTAGE NOT GIVEN WHEN BASE IS LESS THAN 25.

[a]PLUS ONE AT $100,000 AND ONE AT $102,000.

TABLE K2: AMOUNT BILLED TO LIBRARY FOR DIRECT COSTS BY LENGTH OF TIME OFFERING SERVICES

LENGTH OF TIME	AMOUNT BILLED																	
	Up to $750		$751-$1,500		$1,501-$3,000		$3,001-$5,000		$5,001-$7,500		$7,501-$15,000		$15,001-$54,000		NO RESPONSE		TOTAL	
	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%
LESS THAN 2 YEARS	42	(23)	36	(19)	26	(14)	8	(4)	8	(4)	5	(3)	--	--	60	(32)	185	(100)
2-5 YEARS	33	(10)	34	(11)	63	(20)	47	(15)	33	(10)	45	(14)	15	(5)	50	(16)	320	(100)
6-10 YEARS	1	(1)	4	(2)	10	(6)	23	(13)	18	(10)	60	(34)	41	(23)	19	(11)	176[a]	(100)
OVER 10 YEARS	1	(4)	1	(4)	1	(4)	1	(4)	--	--	9	(38)	7	(29)	4	(16)	24[b]	(100)
NO RESPONSE	--	--	--	--	1	*	--	--	--	--	--	--	1	*	--	--	2	*
TOTAL	77	(11)	75	(11)	101	(14)	79	(11)	59	(8)	119	(17)	64	(9)	133	(19)	707[a,b]	(100)

SOURCE: ALA, FINANCING ONLINE SEARCH SERVICES IN PUBLICLY SUPPORTED LIBRARIES, 1981

*PERCENTAGES NOT GIVEN WHEN BASE IS LESS THAN 25.

[a]PLUS ONE AT $102,000.

[b]PLUS ONE AT $100,000.

TABLE L: PERCENTAGE OF DIRECT COSTS* PAID BY USERS

Percentage of Direct Costs	Respondents Indicating Users Pay	
	#	% (N=709)
Nothing Paid by Users	18	2
Less than 20%	120	17
21-40%	43	6
41-60%	53	7
61-80%	75	11
81-99%	147	21
100%	155	22
No Answer	98	14
TOTAL	709	100

SOURCE: ALA, Financing Online Search Services in Publicly Supported Libraries, 1981

*Direct costs are: communications, data base usage, offline printing.

TABLE M: SOURCE OF FUNDS FOR SEARCH FEES

Source of Funds	Respondents Mentioning[a]	
	#	% of libraries charging fees (N=709)
Grant	393	55
Interdepartmental funds transfer	449	63
Private business funds	267	38
Personal funds	542	76
Other	151	21

SOURCE: ALA, Financing Online Search Services in Publicly Supported Libraries, 1981

[a]Responses total more than 709 (#) and 100 (%) because respondents selected more than one source.

TABLE N: RESPONDENTS OPINION ON FEELINGS OF USERS, SEARCHERS AND LIBRARY ADMINISTRATION REGARDING METHOD OF FINANCING

Feeling	Nature of Involvement and Method of Financing											
	Users				Searchers				Library Administration			
	Fee[a]		No Fee[b]		Fee[a]		No Fee[b]		Fee[a]		No Fee[b]	
	#	%	#	%	#	%	#	%	#	%	#	%
	(N=709)		(N=258)		(N=709)		(N=258)		(N=709)		(N=258)	
Positive	388	(55)	225	(87)	438	(62)	203	(79)	485	(68)	176	(68)
Neutral	267	(38)	22	(8)	174	(24)	42	(16)	162	(23)	57	(22)
Negative	31	(4)	3	(1)	70	(10)	4	(2)	37	(5)	17	(6)

SOURCE: ALA, Financing Online Search Services in Publicly Supported Libraries, 1981

[a]Responses will not total exactly 709 or 100% since some respondents gave more than one opinion and others did not give opinions for all three categories.

[b]Responses will not total exactly 258 or 100% since some respondents gave more than one opinion and others did not give opinions for all three categories.

TABLE O: FACTORS PLAYING A MAJOR ROLE IN DECISION REGARDING FINANCING OF ONLINE SERVICES BY PRESENCE OR ABSENCE OF A FEE

Possible Factors	Respondents Choosing Factor by Presence Absence of Fee			
	Fee[a] (N=709)		No Fee[b] (N=258)	
	#	%	#	%
Governmental regulations prohibiting charging by public institutions	14[c]	(2)	53	(21)
Governmental regulations requiring charging for special services	28	(4)	1	**
Formal or informal survey of neighboring or similar libraries	220	(31)	23	(9)
Articles in library literature	161	(23)	24	(9)
Trial and error	120	(17)	11	(4)
Level of funding available	505	(71)	132	(51)
Need for a simple system	290	(40)	95	(36)
Formal or informal survey of potential user demand	91	(13)	26	(10)

SOURCE: ALA, Financing Online Search Services in Publicly Supported Libraries, 1981

**Less than 1%.

[a]Responses do not total 709 (or 100%) since more than one factor may have been indicated.

[b]Responses do not total 258 (or 100%) since more than one factor may have been indicated.

[c]It may seem strange that fourteen libraries would charge a fee when government regulations prohibit it. However, the question asked respondents to name "factors playing a major role in your decision regarding a method of financing online services." Government prohibitions may have played a role even though a fee is charged.

Appendix 1

OFFICE FOR RESEARCH

AMERICAN LIBRARY ASSOCIATION

50 EAST HURON STREET · CHICAGO, ILLINOIS 60611 · (312) 944-6780

June 1, 1981

Dear Librarian:

RE: Financing of Online Search Services Survey Questionnaire

The American Library Association, with the assistance of several vendors of online services and the Council on Library Resources, is conducting a study of how such services are financed in publicly supported libraries and libraries in non-profit organizations/institutions. We are interested in learning how online services are provided to people who do not have access to them in connection with their work assignments.

Three vendors have assisted ALA by mailing this questionnaire to their noncommercial library subscribers. This means that some libraries or institutions will receive more than one questionnaire. If your library receives more than one, please complete only one but return the other cover sheets after circling reason 2 for non-response on each. If several libraries in your institution receive the questionnaire, one should be completed for each different method of financing. The cover sheet of any others should be returned after reason 3 for non-response has been circled. We expect that many libraries will return several cover sheets. These returns will enable us to estimate accurately the number of potential respondents.

We also expect that the questionnaire will go to some subscribers who use online services only to train students or who restrict their use to agency staff in connection with work assignments. In such cases, only the cover sheet should be returned after reason 4 or 5 for non-response has been circled.

Whether you complete the entire questionnaire or not, your response is ESSENTIAL to the success of this survey. We intend to publish a summary of the results in American Libraries and will send copies of this summary to all participants. In addition, a detailed report will be published.

The person most directly responsible for online services should complete this questionnaire and return it, in the enclosed postage paid envelope, as soon as possible, but NO LATER THAN JUNE 30. If you have questions, please call the ALA Office for Research. Thank you very much for your cooperation.

Sincerely yours,

Mary Jo Lynch

Mary Jo Lynch
Director
Office for Research

ALA Office for Research, 50 E. Huron St., Chicago, Ill. 60611

FINANCING OF ONLINE SEARCH SERVICES
COVER SHEET

A. IDENTIFICATION

Neither individuals nor libraries will be identified in the report, but we would like to know who you are so that: 1) we can send a summary report; 2) we can describe, in general terms, the respondents to the survey; and 3) we can contact you if additional information is needed.

Respondent's Name_____Title_____

Telephone number: ( )_____

Name and address of library_____

_____

B. METHOD OF RESPONSE

Please circle one ↓

I intend to complete the questionnaire (skip to C, below). 1

Questionnaire was already completed and returned 2

Another library in this institution completed a questionnaire and our method of financing is the same 3

Online services are provided to agency staff only. 4

Online services are provided to train students only 5

If you circled 2, 3, 4, or 5 please return this sheet only in the enclosed postage paid envelope BY JUNE 30. You will receive a summary of the results.

THANK YOU VERY MUCH FOR YOUR HELP!

C. SURVEY QUESTIONNAIRE

Please circle one answer code to the right of each question unless otherwise instructed. Use additional sheets if necessary.

1. Please describe the responding library.

Circle one ↓

Public library 1

2-year college library 2

4-year college library 3

University library (including branch, department or professional school library 4

School library (K-12) 5

Government agency library 6

Other (*please explain below*) 7

2. How long has the library been offering online search services? *Circle one*

Less than 2 years 1	6 to 10 years 3
2 to 5 years. 2	More than 10 years 4

3. How many searches* did the library conduct in the last fiscal year? _____

*An online search is "the interactive access by computer to as many databases as the searcher considers necessary to conclude the search." If your institution uses a different definition in record keeping, please ESTIMATE using this one.

4. Does your method of financing involve any fees to any users? *Circle one*

No (skip to #13) 1

Yes. 2

5. For any or all searches, is there a no charge period of online time, the costs of which are paid for by the library? *Circle one*

No 1

Yes. 2

6. When a fee is charged, which of the following costs are included in calculating the fee? *Circle as many as apply*

Amortized start-up expenses (terminal equipment, site preparation, initial searcher training, search aids, etc.) . . . 1

Annual general operating expenses (terminal equipment maintenance, telephone rental, searcher training, search aids, etc.) 2

Communication charges 3

Data base usage charges (connect time) . . . 4

Offline printing charges 5

Searcher's time 6

Other staff time 7

Overhead 8

Other (*Please specify below*) 9

7. Does your fee structure differentiate between the primary clientele of the library and persons not in the primary clientele (e.g., for public libraries--non-residents of an area. For academic libraries--non-students or non-faculty)? *Circle one*

No 1

Yes 2

8. How is the fee system structured? *Circle as many as apply* ↓

N.B. PLEASE ENCLOSE A COPY OF YOUR FEE SCHEDULE.

Flat fee to all users for all searches 1

Fee varies by--

User characteristics 2

Search characteristics 3

Other (*Please specify below*) 4

9. Have you collected data regarding the effect of the fee on the volume of use in your library? *Circle one* ↓

No 1

Yes (*If yes, please enclose instrument and any summary report*) 2

10. What was the library billed for communications, data base usage and offline printing in the last fiscal year? _____

11. What percentage of this total amount was paid for by your users? _____

12. Please ESTIMATE what percentage of the funds your clients use to pay search fees come from the following sources. (*Percentages should add to 100%*).

Unknown source	_____
Grant funds	_____
Interdepartmental funds transfer	_____
Private business funds	_____
Personal funds	_____
Other (*Please explain below*)	_____
TOTAL	100 %

13. In your opinion, how do users, searchers and the library administration feel about your method of financing online search services?
Circle one in each column . . . . . ↓

	Users	Searchers	Administration
Positive	1	1	1
Neutral	2	2	2
Negative (*If so, please explain*)	3	3	3

14. Which of the following factors played a major role in your decision regarding a method of financing online search services?

Circle as many as apply

Governmental regulations prohibiting charging by public institutions 1

Governmental regulations requiring charging for special services 2

Formal or informal survey of neighboring or similar libraries 3

Articles in library literature 4

Trial and error 5

Level of funding available 6

Need for a simple system 7

Formal or informal survey of potential user demand 8

Other (*Please specify below*) 9

15. Have you analyzed the characteristics of your online users? *Circle one*

No 1

Yes 2

(If yes, please enclose instrument and any summary of results).

16. Please provide any additional information about your financing plan which will help us understand financing for online services. *Attach additional pages if necessary.*

THANK YOU VERY MUCH FOR YOUR HELP!

PLEASE RETURN THE COMPLETED QUESTIONNAIRE IN THE ENCLOSED POSTAGE PAID ENVELOPE BY JUNE 30. *Please enclose as appropriate: 1) fee schedule (see question 8), 2) instrument and report (see question 9), and 3) instrument and report (see question 14).*

ALA Office for Research, 50 E. Huron St., Chicago, Ill. 60611

ALA Position Statement on Free Access to Information

The American Library Association asserts that the charging of fees and levies for information services, including those services utilizing the latest information technology, is discriminatory in publicly supported institutions providing library and information services.

The American Library Association shall seek to make it possible for library and information service agencies which receive their major support from public funds to provide service to all people without additional fees and to utilize the latest technological developments to insure the best possible access to information, and ALA will actively promote its position on equal access to information.

SOURCE: ALA Handbook of Organization 1981/1982, p. 185.

Supplemental Report on Fee Structures
by Susan Bonzi

Forty-five percent of the respondents to the survey (N=985) gave us information on their fee schedule either by sending a complete schedule or by adding a note to the questionnaire. The wide range of types of schedules makes analysis somewhat difficult; however, there were several discernable patterns in the variables which libraries included in the formation of fee schedules. This analysis includes 383 fee schedules. The remainder were either unreadable, or too complex or vague to categorize.

Complete recovery of direct costs was the most frequently reported method of structuring a fee schedule. In general, respondents included connect time, communications charges, and offline prints in direct costs. A total of 187 of the 383 respondents (49%) mentioned only direct costs, and an additional eighteen (5%) mentioned direct costs in conjunction with either a flat fee or an hourly rate.

A fee structure based on partial direct cost recovery was given by an additional eighty-three of the 383 respondents (22%). These respondents stated that they charged the cost printed at the end of the terminal session or the cost billed to them from the vendor, or they provided a list of available data bases and their charge per minute and per citation.

Only nine respondents (2% of the 383), reported per hour or per minute fees along with ten (3%) who reported both this method and some form of direct cost recovery. Ten (3%) reported one or more flat fees; in addition, eight (2%) reported that they charged both a flat fee and direct costs.

Surcharge

In seventy-three cases (19% of the 383), respondents mentioned surcharges, generally applicable only to their nonprimary clientele. These surcharges ranged from $1.00 to $50.00, with a mean charge of $13.05. The median charge was lower--$9.93, and the most frequently reported charges were $5.00 and $10.00. Twenty-three other respondents (6%) reported a surcharge based on a percentage of costs, along with two (1%) who mentioned both flat and percentage based surcharges.

For those seventy-three libraries which instituted a surcharge, the surcharge averaged only $3.60 for those that performed up to fifty searches in the last year. The average was $10.17 for those that performed between fifty-one and 150 searches and $16.06 for those that performed between 151 and 350 searches. The average dropped to $7.94 for those that performed 351 to 800 searches and rose to $19.00 for those that performed more than 800 searches.

Surcharges averaged $17.15 for libraries whose online services had been in operation less than two years, $13.70 for those in operation from two to five years, and $9.78 for those offering online services for six years or more.

No public libraries reported a surcharge, and only two of the two-year colleges reported one. The nine four-year college libraries in the 383 responses analyzed charged an additional fee averaging $10.67, and the forty-six university libraries averaged $13.63. Only three government agency and three hospital libraries reported surcharges.

Differential Charges

In 181 (47%) of the 383 cases, respondents said that they charged different rates for different categories of their clientele. Over half of four-year college, university, and health science libraries had different rates. Generally, these rates were lower for faculty, staff, and students. Only three public libraries allowed price breaks to some of their clientele, while twenty-three public libraries did not differentiate at all. Approxmiately one-third of all other libraries differentiated, while two-thirds did not.

Libraries having offered service for up to ten years responded in much the same way: slightly less than half differentiated in charging fees. There were only thirteen respondents in this analysis who had offered service for over ten years. Three of them differentiated. The number of searches in the last fiscal year seemed to have no relationship to whether or not the library offered reduced rates to some segments of its clientele.

Initial Free Time

Only twenty-three respondents (6%) reported that they gave some initial free time before beginning to charge, and just twenty-one reported that some of their clientele received free searching. The remaining 339 did not mention free time or free searches.

Conclusion

In general, most responding libraries structured their fees on the basis of direct cost recovery, whether actual or estimated, full or partial or full plus an additional amount. Surcharges do not appear to be very prevalent, and they tend to be higher in those libraries which performed many searches or have offered online services for several years. Few libraries offer either free online time or free searches.

Perhaps the most interesting trend which has emerged from this analysis is the tendency for academic and hospital libraries to have different rates for different types of clients. It may well be that they are the only groups for which it is feasible to differentiate, since they are usually able to identify the types of clients which they serve. Other types of libraries, particularly public libraries, are usually not able to do so easily.

Related Literature

The following commentary describes literature which came to our attention while the ALA survey was being planned and conducted. It is intended to assist anyone who is investigating either the distribution of online search services in publicly supported libraries or the way such libraries have decided who pays for what and implemented that decision. The emphasis is on articles which feature data and/or practical suggestions rather than opinion.

Surveys

There is no previous national survey fully comparable to ours. However, the survey which Wanger, et al., conducted in 1974 [34] is partially comparable, and some results of that survey were mentioned in the preceding report of the ALA survey. To place these comparisons in proper perspective, it is useful to consider differences between the two reports. The Wanger survey was a comprehensive investigation of the impact of online services which employed both a questionnaire and on site interviews. All organizations subscribing to any one of ten search services were questioned in the study which was funded by the National Science Foundation and observed traditional survey research practices. In contrast, the ALA survey was limited in scope, resources and methodological rigor. It investigated certain aspects of online search services (financing) in certain types of organizations (libraries that are publicly funded or serve nonprofit institutions/organizations) through a single method (questionnaire) which was distributed in a somewhat unorthodox way. Despite these differences, the earlier study frequently provides useful baseline data which illuminates findings of the ALA survey.

Another survey which is somwehat comparable is that done by a committee of the California Library Association (CLA) in 1978 and reported in an article by Nancy DeWath [9]. Like ALA's the CLA study was of publicly supported libraries and involved only a questionnaire. Unlike ALA's, the CLA study was based on a mailing to all publicly supported libraries (not just to online subscribers) and covered more than online searching. It should also be noted that the report of CLA's survey by DeWath is more than a summary of findings. It also provides an insightful discussion of several important issues, such as how online searching differs from other library services and how libraries might cope with the economic consequences of adopting technological innovation.

The two surveys described above are the most useful for comparison purposes. However, there are several other surveys which may throw light on our results. In 1975 Doris Marshall published a report of her survey of 100 academic libraries in the U. S. having separate chemistry or science libraries [27]. She asked about many aspects of online

search services including the question of "Who Pays for Use?" Marshall found that libraries paid for online search services in numerous ways.

> The highest percentage charged the user for actual on-line costs, transmission costs, and off-line printing charges, while the library paid the searcher's salary and the library overhead, including the lease or purchase of hardware [27, p. 248].

In 1978 Gloria Werner surveyed health science libraries in the 708 U. S. and Canadian institutions which were using the National Library of Medicine's search service [37]. Werner found that

> 52.5% of responding institutions (N=339) charge some or all of their users for on-line service, while 47.5% absorb all costs associated with data base searching. About 90% of the educational institutions charge; 40% of societies, foundations, and research institutes; 34% of hospitals...[37, p. 9].

Werner's questionnaire was designed to discover which users were charged for online services: "outside users only, all institutional users, some institutional users, both outside and institutional users or outside and some institutional users [37, p. 10]. Table 9 in her report presents the complex findings of this question.

Phyllis Jaynes, Engineering and Business Administration Librarian at Dartmouth College, conducted a survey of 116 librarians in business schools accredited by the American Association of Collegiate Schools of Business (AACSB) in 1980 [15]. Among the fifty-six respondents she found that financing methods for online search services varied widely. The largest number of her respondents had a cost recovery policy and charged users for computer connect time, demonstration charges and offline printing. "All of the institutions doing searching for the external community added surcharges to the direct costs when billing outside users" [15, p. 3].

Another academic library survey was conducted in the Spring of 1980 by Brigham Young University "to obtain data for evaluating its online search services" [22, p. 78]. The survey instrument sent to forty-seven selected academic libraries included a question about finances.

The Association of Research Libraries provided data on the number of large academic libraries offering online search services through a survey in 1975 and an informal poll in 1976 [13]. Sixty-four percent were providing the services in 1975; close to 80% in 1976. In March, 1980 SPEC Flyer #62 noted that administrative concerns in ARL libraries had changed from how to introduce this new technology to the allocation and justification of costs and fees [2]. SPEC Kit #62, "On-

Line Bibliographic Search Services," which accompanies this flyer includes results of an informal phone survey of eight private institutions regarding charges and uses of online search services. Three of the six questions related to charging.

The only survey we identified which covered the public library community exlusively was that conducted by James Kusack in July 1978 [21]. Kusack surveyed the thirty-four largest public library systems in the U. S. and received a 91% response. He found that "thirteen responding libraries (41.9%) offered one or more on-line reference services while sixteen (51.6%) neither offered nor planned to offer such services in the near future....Financial considerations appeared to be the major reason for not contracting for on-line reference service" [21, p. 331]. Regarding fees, Kusack reported a great variety of practices and philosophies.

One recent study covered several different types of libraries. In the fall of 1979 Marcy Murphy conducted a survey of online services in a purposive sample of academic, public and special libraries in thirteen states. Murphy found that:

> ...librarians in general have been willing to absorb the additional costs of on-line cataloging and other processing in their Technical Services units, but when it comes to funding on-line information for their clientele in Public Service areas, no such consensus is apparent. Indeed there is a pronounced reversal, especially in academic and in some public library's philosophy, in which some cost recovery passed on to the user seems to be the rule rather than the exception [28, p. 21].

All of the surveys returned so far have involved libraries and their policies or procedures regarding online search services. A different but related survey was conducted by Danuta Nitecki in 1976 [29]. Nitecki surveyed the membership of ALA's Reference and Adult Services Division in order "to gain some insight into reference librarians' attitudes toward automated information retrieval services, to identify their needs for more information about such services, and to determine their preferences among the means for acquiring such information" [29, p. 133]. Table 9 in this article (p. 139) presents respondents opinions on how costs of online services should be covered.

Financial Planning

GENERAL

Three publications, one long and two short, are essential reading for any librarian planning to introduce or change the financing of

online search services: William Saffady's eighty-six page monograph on "The Economics of Online Bibliographic Searching" in Library Technology Reports [30], John Linford's theoretical answer to the question "To Charge or Not to Charge?" [25] and Helen Drinan's article on "Financial Management of Online Services--A How to Guide" [11]. Saffady's work provides a thorough analysis of the costs involved in offering search services. Linford offers logical reasons to use in deciding what to charge for and what not to charge for. Drinan's article is more practical than both of the others but it makes an important theoretical observation which explains why the introduction of online services is so troublesome.

> The decision to offer online information services added an element of uncertainty to the financial management process. This is because online services generate not only predictable fixed costs (such as training fees, terminals and manuals), but also variable costs (such as online time and searcher time) which are difficult to forecast. These variable costs are demand-dependent; that is, costs incurred vary directly with the number of requests for service. Management of variable costs requires an ability to estimate demand, which is a very difficult task at the introductory stage of a new service [11, pp. 14-15].

One might add that it is an especially difficult task for publicly supported libraries which have had almost no experience with such costs.

FEE-BASED SERVICE

Practical advice regarding the charging of fees for online bibliographic service may be found in several places. The earliest advice is a section on "Financial Considerations" in A Handbook for the Introduction of On-Line Bibliographic Search Services Into Academic Libraries by David M. Wax [36]. The results of the present survey seem to indicate that many libraries have taken Wax's advice (and Linford's) regarding

which costs to charge for and which to cover in the library budget. Wax makes the most direct statement of a reason for fees which several others only hint at:

> If a library can obtain funds to subsidize usage of computer search services, it is strongly suggested that the service not be totally free to the user. Even a token charge will help to assure that the searches undertaken are not frivolous and that the funds available benefit as many users as possible [36, p. 29].

Articles about various aspects of online search services in a particular library frequently mention the library's method of fee charging but do not frequently provide details as to how it works. An exception is the article by Kobelski and Trubore [20] which provides considerable detail about a partially subsidized search service at the University of Delaware. Brief descriptions of fee schedules at Pennsylvania State University Library and at California State University, Chico are provided in the "Online Services" column of the Winter, 1980 issue of RQ along with a description of the no-fee service at California State College, Stanislaus [17].

Three libraries at the University of Cincinnati have devised three different methods of charging fees for online search service, which were described in papers at the National Online Meeting in New York in March, 1981. The Medical Center Libraries charge on the basis of five minute increments of online time in a schedule that varies with the data base [1]. The Chemistry-Biology Library charges a flat fee, again depending on the data base [10]. At the Central Libr ry users are charged a variable fee which covers actual amounts for all direct costs [16]. In all three cases, a surcharge is added to the fee for users from outside the university community.

Also presented at the March, 1981 National Online Meeting was a paper by Karmen N. T. Crowther describing the University of Tennessee's changing pattern of financing online services [8]. In the beginning (May, 1975) and for several years, the University of Tennesses partially subsidized direct costs of online searching. Recently, however, the library has changed to a policy of charging the user for all direct search costs. The paper explains reasons for the change and describes the library's experience with both policies.

EFFECT OF FEES

Although it would seem obvious that increasing the cost of online service would decrease the demand for it, this does not always happen. In the work just mentioned, Crowther describes a new and higher fee structure and then says, "there has been a noticeable increase each

month over last year's search service use, rising from a total of 524 searches in 1979 to over 800 in 1980. Users have shown little or no reluctance to pay increased search costs" [8, p. 6]. Clearly, other factors are at work here besides cost. Crowther mentions one of them when she explains that "Overall, the number of completed searches needing revision or correction has dropped, indicating that searchers may have a heightened awareness of the need for attention to detail when an individual, not an institution, is picking up the bill" [8, p. 6].

Cooper and DeWath examined "The Effect of User Fees on the Cost of On-Line Searching in Libraries" as part of the DIALIB project [6]. They found that the "primary effect of the institution of search fees is a shifting of a proportion of the costs from the user, in terms of search service charges, to the library, in the form of staff time devoted to search related tasks" [6, p. 317].

The final report of the DIALIB project also comments on the effect of fees:

> An important result of the DIALIB experiment was that, contrary to expectations, no problems were experienced in the mechanics of billing and fee collection, and that comments by the patrons were favorable to paying a fee for the search service. The only problem associated with charging for this specialized reference service was dealing with the philosophical concept of fee for service. Once this was accepted by the administration, the actual mechanics of collection and patron acceptance offered no difficulties. Furthermore there has been no tendency to extend the concept to traditional services within the participating libraries. We should note, though, that since a study of non-users was not made, we do not know whether fees deterred some individuals from using the service [31, p. 5-5].

Lois Lehman and M. Sandra Wood examined the "Effect of Fees on an Information Service for Physicians" [24]. The service provided to physicians in Pennsylvania by the George T. Harrell Library of the Milton S. Hershey Medical Center had been provided since 1966 without fees thanks to various grants. The service consisted of "document delivery and brief literature searches for which three to five recent citations are retrieved per subject" [24, p. 59]. Lehman and Wood concluded that

> While the fee-for-service charge reduced the number of users by approximately one-third, those who have need of the service still continue to use it. By charging fees in order

> to recover costs, we have been able to continue to offer our resources to physicians, especially to those in rural areas, who otherwise may not have access to medical library service [24, p. 60].

Richard Beeler of Colorado State University presented a paper at the March, 1981 National Online Meeting concerning "The Relationship of User Fees and User Satisfaction" [3]. Beeler reports that in evaluations compiled by 105 users "little association is found to exist between cost and user determination or satisfaction or product usefulness" [3, p. 1]. Beeler concludes that:

> Other writers have identified the number of citations retrieved and their relevancy as pertinent to user assessment of online experiences...Assuming these to be the major factors determining usefulness, online retrieval managers wishing to increase the satisfaction of their clientele would do better to focus on improvements in these areas rather than on user fee reduction or elimination [3, p. 5].

NO FEE-SERVICES

Although many have advocated that libraries provide online search services without charging fees, only a few have described how this is actually done. Earliest in point of time is an article by Knapp and Schmidt which describes the free online service provided at SUNY-Albany from 1972 until 1977 when charges were imposed for the cost of offline printing [18]. Shortly thereafter, Crawford and Thompson published a very persuasive argument for the policy at California State College, Stanislaus where free online searches are provided whenever the reference librarian decides a search is needed [7]. Most recently Lee and Miller have described how Lake Forest College with the help of several grants established a service which provides online searches at no cost to faculty and students at the discretion of the reference librarian [23].

Philosophical Issues

In recent years the question of whether or not publicly supported libraries should charge fees for online services has been discussed frequently in the literature, sometimes as an independent issue and sometimes as part of a general discussion of charging fees for anything in a publicly supported library. Several articles dealing with these issues are recommended as essential. Waldhart and Bellardo provide an excellent background to the whole question in their survey article for Advances in Librarianship [33]. Peter Watson deals very effectively with the specific problem of fees for online searches in an article for the 1978 ALA Yearbook [35]. We have already recommended Linford's

logical rationale for deciding when to charge a fee [25]. Also useful is an article by Cooper which uses charging for online services as an example in an analysis of library service as what economists call a "public good" [5]. The issue is by no means settled, and it will probably continue to be hotly debated in the coming years as new ways are developed for gathering and organizing and distributing information.

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